GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:5517
ANSWERED ON:06.04.2017
Cap on Price of Domestic Flights
Tiwari Shri Manoj Kumar

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government has any proposal to "cap the price of domestic flights" to promote the aviation industry;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the details of the plan outlay, time and air fare limit, if any, in this regard?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a) to (d): With repeal of Air Corporation Act in March, 1994 the provision of tariff approval was dispensed with by the Government .;

Under the provision of prevailing regulation (Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937), every air transport undertaking engaged in scheduled air services are required to establish tariff having regard to all relevant factors, including the cost of operation, characterstics of services, reasonable profit and the generally prevailing tariff. The fares so established, are required to be displayed by the airlines on their websites in compliance of Sub Rule 02 of Rule 135, Aircraft Rule 1937. Airlines remain compliant to the regulations as long as the fare charged by them does not exceeds the fare structure displayed on their website.